

October 27, 2005

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station
Boston, MA 02110

Re: Docket Nos. D.T.E. 01-106, Investigation by the Department of Telecommunications and Energy on its own Motion to Increase the Participation Rate for Discounted Electric, Gas and Telephone Service Pursuant to G.L. c. 159, § 105 and G.L. c. 164, § 76 and D.T.E. 05-56, Residential Assistance Adjustment Provision.

Dear Secretary Cottrell:

On October 19, 2005, Massachusetts Electric Company and Nantucket Electric Company, d/b/a National Grid (collectively "Company") filed a proposed tariff, M.D.T.E. 1086, setting forth the Company's Residential Assistance Adjustment Provision with an effective date of November 1, 2005, in compliance with the Department's October 14, 2005 order. In addition, the Company provided a calculation of the proposed Residential Assistance Adjustment Factor ("RAAF") for the period November 2005 through October 2006. The Company is not proposing to implement the RAAF on November 1, but rather will update this calculation and propose its value in its annual reconciliation filing regarding the rate adjustments that will take effect on March 1, 2006, in accordance with docket numbers D.P.U./D.T.E. 96-25 and 99-47. The Company anticipates that it will begin charging the RAAF on March 1, 2006, consistent with the Department's directives regarding the mechanism for calculating and recovering the revenue lost because of increased participation in the low-income rate once the computer matching program with the Executive Office of Health and Human Services begins. See D.T.E. 01-106-C, D.T.E. 05-55, D.T.E. 05-56, p. 8, ftnt. 3.

Thank you very much for your time and attention to this matter.

Very truly yours,



Amy G. Rabinowitz

cc: Service Lists